



## **Medicare Health Support Overview**

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### **Background:**

Chronic conditions are a leading cause of illness, disability, and death among Medicare beneficiaries and account for a disproportionate share of health care expenditures. For example, about 14 percent of Medicare beneficiaries have heart failure, but they account for 43 percent of Medicare spending. About 18 percent of Medicare beneficiaries have diabetes, yet they account for 32 percent of Medicare spending.

Section 721 of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 authorized the development and testing of voluntary chronic care improvement programs, now called Medicare Health Support, to improve the quality of care and life for people living with multiple chronic illnesses. The programs are designed to help participants adhere to their physicians' plans of care and obtain the medical care they need to reduce their health risks.

Beneficiaries who have heart failure and/or complex diabetes have heavy self-care burdens and high risks of experiencing poor clinical and financial outcomes. Beneficiaries who live with these conditions often have other co-morbidities. Commonly, beneficiaries who live with multiple chronic illnesses experience poor health outcomes, increased cost, and dissatisfaction, despite the best efforts and intentions of providers. There is evidence that self-care support, education, and coordination of care for people with these conditions can be effective in improving clinical outcomes, reducing overall cost, and improving participant and provider satisfaction. Implementation of Medicare Health Support is the first time a large-scale initiative of this type has been tried in fee-for-service Medicare.

Medicare Health Support programs are designed to help reduce health risks, improve quality of life, and provide savings to the beneficiaries and to Medicare. Phase I Medicare Health Support programs are being overseen by the Centers for Medicare & Medicaid Services (CMS) and are being implemented in eight regions by organizations that were chosen through a competitive selection process.

### **Participants:**

Phase I of Medicare Health Support will serve approximately 160,000 Medicare beneficiaries who are enrolled in traditional fee-for-service Medicare and who have heart failure and/or complex diabetes among their chronic conditions. Participation is voluntary and free to participating beneficiaries. It will not affect beneficiaries' ability to choose their own doctors and other health care providers, and it will support compliance with physician orders. Medicare benefits will not change as a result of participation in a Medicare Health Support program.

Using historical claims data, CMS has identified beneficiaries in the pilot geographic areas who are candidates for Medicare Health Support. These targeted beneficiaries are assigned randomly to either an intervention group or a control group. Those in the intervention group are notified of the opportunity to participate through a letter from the Medicare program. The letter describes the

program and gives the beneficiary the opportunity to decline to be contacted by a Medicare Health Support organization if he or she does not want to participate.

In February 2006, Medicare Health Support reached more than 100,000 participants.

### **Program Operations:**

Each of the Medicare Health Support organizations offers self-care guidance and support to the participating Medicare beneficiaries to help them manage their health, adhere to their physicians' plans of care, and ensure they know when to seek medical care. Medicare Health Support is intended to help increase adherence to evidence-based care, reduce unnecessary hospital stays and emergency room visits, and help participants avoid costly and debilitating complications. The organizations operating the programs are required to assist participants in managing their health holistically, including all co-morbidities, relevant health care services, and pharmaceutical needs in a manner that is responsive to any unique individual needs (e.g., English as a second language, cognitive impairments).

### **Medicare Health Support Organizations and Locations:**

Medicare Health Support organizations implementing programs and the regions they are serving include:

- LifeMasters Supported SelfCare, Inc., Oklahoma (1-888-713-2837)—started 8/05
- Health Dialog Services Corp., Western Pennsylvania (1-800-574-8475)—started 8/05
- American Healthways, Inc., Washington, D.C. and Maryland (1-866-807-4486)—started 8/05
- McKesson Health Solutions, LLC, Mississippi (1-800-919-9110)—started 8/05
- CIGNA Health Support, LLC, Northwest Georgia (1-866-563-4551)—started 9/05
- Aetna Health Management, LLC, Chicago, Illinois (1-888-713-2836)—started 9/05
- Green Ribbon Health, Central Florida (1-800-372-8931)—started 11/05
- XLHealth Corp., Select Counties, Tennessee (1-877-717-2247)—started 1/06

The areas being served have a high prevalence of diabetes and heart failure among Medicare beneficiaries. The areas also represent a mix of rural and urban areas and include ethnically and culturally diverse populations.

### **Phase I and Phase II:**

Medicare Health Support is designed as a two-phase initiative. Phase I is a pilot phase that will run for three years. The Phase I programs will each be evaluated through comparison of outcomes for the beneficiaries who were invited to participate and others in the region who were randomly assigned to a comparison group. Phase II is the expansion phase. The Secretary of Health and Human Services (HHS) is authorized by Section 721 of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 to proceed with Phase II expansion within two to three and a half years after Phase I, if the Secretary finds that the conditions for expansion laid out in the statute have been met. In Phase II, the Secretary may expand Phase I programs, or program components, that have proven successful in improving clinical quality outcomes, increasing beneficiary satisfaction, and meeting Medicare spending targets for their assigned populations.

For more information about Medicare Health Support, visit [www.cms.hhs.gov/CCIP](http://www.cms.hhs.gov/CCIP).